

**MORRISON | FOERSTER**

1290 AVENUE OF THE AMERICAS  
NEW YORK, NY 10104-0050

TELEPHONE: 212.468.8000  
FACSIMILE: 212.468.7900

WWW.MOFO.COM

MORRISON & FOERSTER LLP

NEW YORK, SAN FRANCISCO,  
LOS ANGELES, PALO ALTO,  
SACRAMENTO, SAN DIEGO,  
DENVER, NORTHERN VIRGINIA,  
WASHINGTON, D.C.

TOKYO, LONDON, BRUSSELS,  
BEIJING, SHANGHAI, HONG KONG

October 19, 2012

Writer's Direct Contact

212.468.8238

JHaims@mofo.com

Honorable Denise L. Cote (**via email**)  
United States District Judge  
United States District Court for the  
Southern District of New York  
500 Pearl Street  
New York, NY 10007-1312

Honorable Martin Glenn (**via ECF**)  
United States Bankruptcy Judge  
United States Bankruptcy Court  
for the Southern District of New York  
One Bowling Green  
New York, NY 10004

Re: *FHFA v. Ally Financial Inc.*, Case No. 11 Civ. 7010 (DLC)  
*In re Residential Capital, LLC, et al.*, Chapter 11 Case No. 12-12020 (MG)

Dear Judges Cote and Glenn:

We are counsel to Residential Capital, LLC and its debtor affiliates in the above-captioned bankruptcy case. We write regarding the joint Order issued by Your Honors on October 16, 2012 (Bankr. ECF# 1829; SDNY ECF# 242) (the "Joint Order"), setting a briefing schedule on the "Proposed Production Order." We submit this letter because the Debtors are not a party to the FHFA case pending before Judge Cote and it is not clear to us whether the Debtors are expected to participate in the briefing.<sup>1</sup>

It is the Debtors' position that the Proposed Production Order might well be in direct conflict with Judge Glenn's Memorandum Opinion and Order Denying the Motions of the Federal Housing Finance Agency and Underwriter Defendants to Compel Document Discovery From the Debtors issued on October 12, 2012 (the "Discovery Order"). (Bankr. ECF#1813.) The Discovery Order is the law of our bankruptcy case and states that the automatic stay is extended "pursuant to section 105(a) to *anyone* seeking discovery from the Debtors absent further order of the Court," including the parties to the FHFA case. (*Id.* at 11) (emphasis in the original).)

The Debtors will be prepared to address this matter at the October 29, 2012 joint conference.

---

<sup>1</sup> For the avoidance of doubt, this submission does not constitute the Debtors' briefing on the appeal noticed by the FHFA and we do not understand the Joint Order to set any deadlines in, or in any way affect, the noticed appeal.

**MORRISON | FOERSTER**

United States Bankruptcy Court  
October 19, 2012  
Page Two

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JCH', with a large, stylized flourish at the end.

Joel C. Haims

cc: Counsel of record